



DEPARTMENT OF THE NAVY

FLEET LOGISTICS COMMAND
1968 GILBERT STREET
SUITE 600
NORFOLK, VIRGINIA 23511-3392

IN REPLY REFER TO:

J&A Number: 15237

JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN COMPETITION (SOLE SOURCE)

1. **IDENTIFICATION OF AGENCY AND CONTRACTING ACTIVITY:**

Requiring Activity: Forward Ship Sustainment Activity (FSSA)
Regional Maintenance Center (RMC) Detachment Bahrain
PSC 851 Box 550
FPO AE 09834

Contracting Activity: Commanding Officer
NAVSUP Fleet Logistics Center Norfolk (FLCN)
Contracting Department, Code 200
Norfolk, Virginia 23511-3392

Requisition Number: N0007014RCC9214

2. **NATURE/DESCRIPTION OF CONTRACT ACTION:** This is a sole source action submitted for approval to award a Firm Fixed Priced contract to Rolls Royce Marine North America Inc. in support of USS GLADIATOR (MCM-11) Chief of Naval Operations Availability. This requirement will be awarded subject to FAR 13.5 – “Test Program for Certain Commercial Items.”

3. **DESCRIPTION OF REQUIRED SUPPLIES/SERVICES:** The proposed acquisition is to purchase Rolls Royce materials on a sole source basis through Rolls Royce. USS GLADIATOR MCM-11 requires shaft and oil distribution (OD) box repairs by the qualified original equipment manufacturer (OEM), Rolls Royce. In order to make repairs to both shafts and OD boxes, OEM materials shall be used. The repair services will be procured under a different sole source action to Rolls Royce. The requested materials are required to be delivered prior to 3 September 2014 as the repair services begin on this date.

The list of parts is contained within the file.

4. **IDENTIFICATION OF STATUTORY AUTHORITY:** The statutory authority permitting Other Than Full and Open Competition under the test program for commercial items is section 4202 of the Clinger Cohen Act of 1996.

5. **DEMONSTRATION OF CONTRACTOR’S UNIQUE QUALIFICATIONS OR NATURE OF ACQUISITION:** Rolls Royce is the only company that manufactures and sells Rolls Royce parts and materials. This request is required in order to make repairs to USS GLADIATOR MCM-11 oil distribution box and propeller shafts. The existing system to be repaired is originally manufactured and being repaired by Rolls Royce. Due to nature of work, the repair parts and materials must be provided by Rolls Royce. In addition, the parts and material are required to be compatible in all aspects with the existing Rolls Royce system presently installed on USS GLADIATOR. No other supply can provide the required compatibility without significant cost and impact to the Government.

If the government were to procure a different brand, there would be no guarantee that the entire system (OD Box and shafts) would function properly and would cause the ship to miss all scheduled milestones and will cost additional funding to cover the extension of the availability. The approximate cost of this delay is \$200k to \$300k for additional time that the ship would be in drydocked. Furthermore, the ship would not meet her operational commitments.

6. **GPE ANNOUNCEMENT/POTENTIAL SOURCES:** The synopsis required by FAR 5.201 will be published on the Government-wide point of entry as intent to negotiate on a sole source basis to Rolls Royce.

7. **DETERMINATION OF FAIR AND REASONABLE COST/PRICE:** A determination of fair and reasonableness of price will be based on the Procuring Contracting Officer's price analysis of the contractors quote and/or a comparison of previous pricing history or published price list of the same or similar items in accordance with FAR 13.106-3.

8. **DESCRIPTION OF MARKET SURVEY:** FSSA RMC DET BAHRAIN and FLCN both conducted market research to include review of previous acquisitions in particular N00189-14-P-0180, discussions with the requiring activity, querying Government databases, and discussions with Rolls Royce. The determination was made that Rolls Royce is the only responsible sources for the procurement of the required materials.

Contract N00189-14-P-0180 was awarded to Rolls Royce on 16 January 2014 on a sole source basis. The materials ordered under this contract are exactly the same as the immediate requirement. This contract was to procure material for USS Sentry. The previous contract's requirement and the immediate requirement were not ordered at the same time because of the ships' different schedules and funding.

9. **ANY OTHER SUPPORTING FACTS:** Failure to procure Rolls Royce parts will cause a serious mission degradation that will impact USS GLADIATOR ability to perform her mission as one of the MCM Forward Deployed to Middle East.

10. **LISTING OF INTERESTED SOURCES:** Rolls Royce, 508-734-1196

11. **ACTIONS TAKEN TO REMOVE BARRIERS TO COMPETITION:** For the reasons set forth in Paragraph 5, FSSA RMC DET BAHRAIN has no plans at this time to compete future contracts for the types of supplies/services covered by this document. If another potential source emerges, FLCN will assess whether competition for future requirements is feasible. All future requirements will be dealt with on a case by case basis.

12. **STATEMENT OF DELIVERY REQUIREMENTS:** The delivery address for the resultant contract will be FSSA RMC DET BAHRAIN PSC 851 BOX 550 FPO AE 09834.

13. **CONTRACTING POINT OF CONTACT:** The point of contact at NAVSUP Fleet Logistic Center Norfolk is Ms. Jennifer Miles, who can be reached at (757) 443-1427 or by email at Jennifer.L.Miles1@navy.mil.